

(12) INTERNATIONAL APPLICATION PUBLISHED UNDER THE PATENT COOPERATION TREATY (PCT)

(19) World Intellectual Property Organization
International Bureau



(43) International Publication Date
1 November 2001 (01.11.2001)

PCT

(10) International Publication Number
WO 01/82597 A1

(51) International Patent Classification⁷: H04N 5/445, G06F 3/00, 13/00

(81) Designated States (*national*): AE, AG, AL, AM, AT, AU, AZ, BA, BB, BG, BR, BY, BZ, CA, CH, CN, CR, CU, CZ, DE, DK, DM, DZ, EE, ES, FI, GB, GD, GE, GH, GM, HR, HU, ID, IL, IN, IS, JP, KE, KG, KP, KR, KZ, LC, LK, LR, LS, LT, LU, LV, MA, MD, MG, MK, MN, MW, MX, MZ, NO, NZ, PL, PT, RO, RU, SD, SE, SG, SI, SK, SL, TJ, TM, TR, TT, TZ, UA, UG, UZ, VN, YU, ZA, ZW.

(21) International Application Number: PCT/US00/30563

(22) International Filing Date:
6 November 2000 (06.11.2000)

(25) Filing Language: English

(84) Designated States (*regional*): ARIPO patent (GH, GM, KE, LS, MW, MZ, SD, SL, SZ, TZ, UG, ZW), Eurasian patent (AM, AZ, BY, KG, KZ, MD, RU, TJ, TM), European patent (AT, BE, CH, CY, DE, DK, ES, FI, FR, GB, GR, IE, IT, LU, MC, NL, PT, SE, TR), OAPI patent (BF, BJ, CF, CG, CI, CM, GA, GN, GW, ML, MR, NE, SN, TD, TG).

(26) Publication Language: English

(30) Priority Data:
09/552,866 20 April 2000 (20.04.2000) US

(71) Applicant and

(72) Inventor: HARADA, Takeshi [JP/US]; 965 East El Camino Real, #811, Sunnyvale, CA 94087 (US).

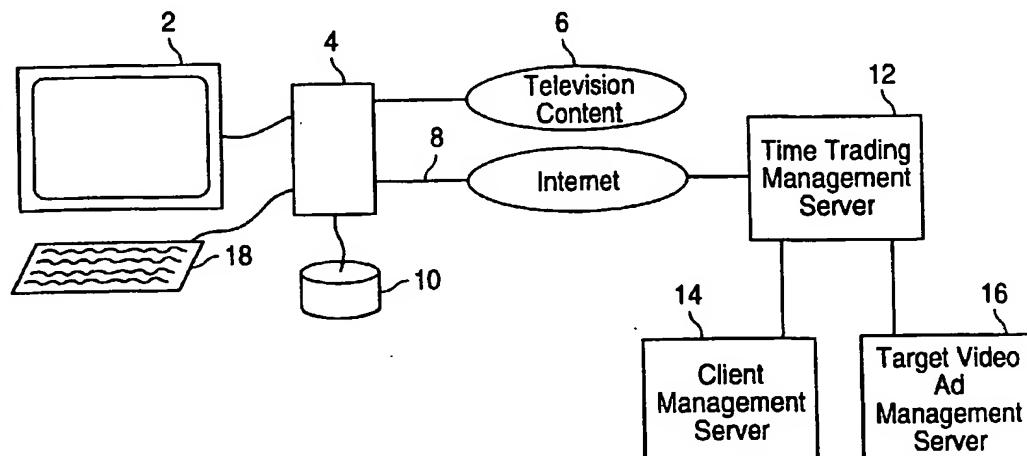
Published:

— with international search report

(74) Agent: JOHNSON, Doyle, B.; Crosby, Heafey, Roach & May, Two Embarcadero Center, Suite 2000, San Francisco, CA 94111-4106 (US).

For two-letter codes and other abbreviations, refer to the "Guidance Notes on Codes and Abbreviations" appearing at the beginning of each regular issue of the PCT Gazette.

(54) Title: METHOD AND SYSTEM FOR VIEWER SELECTABLE ADVERTISING



WO 01/82597 A1

(57) Abstract: A system and method that allows a program viewer to select the quantity and content of commercials that are viewed, and to exchange the viewer's time for credits against service charges. Additionally, the commercials may be targeted specifically for particular viewers and commercials of objectionable content may be screened. A time trading management server (12) downloads commercials to a viewer's Internet browser device (4) via broadband Internet connection (8), based on the viewer's profile and preferences. A time trading agent tracks the commercials that are viewed, and maintains an account balance for each viewer. Viewer's obtain credits or fees in exchange for viewing the commercials. The credits in turn may be redeemed for payment against the content services, such as television subscription services, pay-per-view movies and the like.

METHOD AND SYSTEM FOR VIEWER SELECTABLE ADVERTISING

BACKGROUND OF THE INVENTION

FIELD OF THE INVENTION

The present invention relates generally to the field of television programming, and more particularly to a system and method for allowing a viewer to select a quantity of desired advertising, targeting commercial advertising based on the viewer's preferences, and screening such advertisements.

DESCRIPTION OF THE RELATED ART

In current commercial television systems, advertisers select programs that have a particular viewer demographic, which is likely to be interested in the advertised product or service. The television commercials are placed in the programs according to fixed time intervals, with the advertising rates generally set based upon a program's Nielsen™ rating (as determined by Nielsen Media Research). The television stations earn profits by charging advertising fees, even when the viewer pays to subscribe to a CATV or satellite broadcast system. However, the Nielsen rating system is formulated using only a small statistical sample of all television viewers.

Ideally, commercials could be targeted to particular viewers, based upon each viewer's specific preferences and marketing profile. In the Internet environment, certain Internet Service Providers (ISPs) and Web sites currently provide for discounted services, if a user agrees to submit a marketing profile and receive targeted "banner ads" within existing Web pages, or as part of a custom browser. However, the user is still subjected to advertisements selected by the content or service provider, and has no control over the quantity of ads displayed.

As the Internet moves to broadband services having increased bandwidth, distribution of video programs, such as television shows, movies, sports or the like, currently distributed mainly through commercial broadcast television, CATV or satellite, will also be distributed through the Internet. Viewers will then no longer be limited to watching only a fixed number of channels, but will be able to select particular content of interest (i.e. "video on demand"). There will be various way of distributing the video programs, such as free broadcasting, paid subscriptions, or pay-per-view or pay-per-downloads.

For example, Internet capable "set-top-boxes" are available for browsing the Internet through the television. Other devices are available for specifically "digitally" recording television content, such as devices available from ReplayTV™ or TiVo™. Both Internet browser devices and digital recorders generally include large data storage devices and video decoding capabilities, such as MPEG decoders. Viewers can thus monitor, record, time-shift, alter the viewing order, pause, review, or fast-forward through received content. The viewer can even choose to skip or delete the commercials. Thus, both Internet browser devices and digital recorders provide viewers with new flexibility and freedom to select only the content that they are interested in viewing.

With content delivery via the Internet, the traditional method of distributing television advertisements (commercials) is not as effective. As discussed above, the traditional practice estimates the target demographic based on the time or category of the selected video program and broadcasts a commercial as a part of the television program, with the hope that the viewers actually see the commercial. However, as the number of paid subscription or pay-per-view services increase on both standard television networks and broadband Internet, the viewer has more control over the content. In other words, many viewers may be more willing to pay more to avoid seeing any commercials, or use special recording and/or filtering devices to delete the commercials before viewing the program.

From the viewer's perspective, in the traditional commercial television practice, network broadcasters have been selling the viewer's "time" to advertising clients and making money at the viewer's expense. However, once a video program is received by the viewer, the viewer has the right to view, rewind, fast-forward or otherwise manipulate the video program as long as the viewing is for personal and not commercial use. This includes the right to skip or delete any inserted commercials. The user is also free to sell his own viewing time to the advertising clients, if the infrastructure is made to support this new viewing environment.

Also, from the viewer's perspective, the distribution of video programs through the Internet expands the program alternatives for the viewer. However, the Internet is not a controlled media that is censored for general audiences, like the existing television broadcasting systems. Various types of video programs or commercials, including those containing adult content or violent expression, which are not suitable for young children, can be distributed or accessed via the Internet without restriction. Thus, the viewer also needs a new controlled viewing environment to protect his/her home from uncensored and uncontrolled media intrusion, including undesirable commercial advertisement content.

Thus, there is a need for a video broadcasting system that allows viewers to sell their own viewing "time" directly to advertisers, which further allows for the advertisements to be specifically targeted to the viewers based upon their own preferences, and which facilitates a new and controlled viewing environment for each member of the household to censor undesirable commercial content.

SUMMARY OF THE INVENTION

In general, the present invention is a system and method that allows a program viewer to select the quantity and content of commercials that are viewed, and to exchange the viewer's time for credits against service charges. Additionally, the commercials may be targeted specifically for particular viewers

and commercials of objectionable content may be screened. In one embodiment, the present invention includes a television or video display device connected to the Internet via a Web-enabled device, and also possibly to standard television distribution systems, such as broadcast television, CATV or a satellite broadcast system. A time trading agent downloads commercials to the viewer, based on the viewer's profile and preferences. The time trading agent tracks the commercials that are viewed, and maintains an account balance for each viewer. It is preferred that the commercials are downloaded separately from the program content and stored in viewer controlled storage (either a local hard-drive or other user accessible storage space, such as Internet file storage).

Viewers obtain credits or fees in exchange for viewing the commercials. The credits in turn may be redeemed for payment against the content services, such as television subscription services, pay-per-view movies and the like. The time trading agent can provide the advertisers with detailed reports of the viewing frequency and interested demographic groups for particular commercials.

These and other aspects of the invention, as well as further details of specific embodiments, may be more fully understood from the following specification and drawings.

BRIEF DESCRIPTION OF THE DRAWINGS

The present invention will be readily understood by the following detailed description in conjunction with the accompanying drawings, wherein like reference numerals designate like structural elements, and in which:

Figure 1 is a block diagram of a system configured according to an embodiment of the present invention;

Figure 2 is a flowchart of the new viewer registration process, according to an embodiment of the present invention; and

Figure 3 is a flowchart of the time trading procedure of the present invention.

DETAILED DESCRIPTION OF THE INVENTION

The following description is provided to enable any person skilled in the art to make and use the invention and sets forth the best modes contemplated by the inventor for carrying out the invention. Various modifications, however, will remain readily apparent to those skilled in the art, since the basic principles of the present invention have been defined herein specifically to provide a system and method for allowing a viewer to select a quantity of desired advertising, targeting television advertising based on the viewer's preferences, and screening such advertisements. Any and all such modifications, equivalents and alternatives are intended to fall within the spirit and scope of the present invention.

In general, the present invention is a system and method that allows a program viewer to select the quantity and content of commercials that are viewed, and exchange the viewer's time for credits against service charges. Additionally, the commercials may be targeted specifically for particular viewers and commercials of objectionable content may be screened. It is preferred that the commercials are downloaded separately from the program content and stored in viewer controlled storage (either a local hard-drive or other user accessible storage space, such as Internet file storage). This avoids potential permission issues with content copyright holders, since the viewers are watching their "own" commercials, at times selected by them.

In one embodiment, as shown in Figure 1, the present invention includes a television or video display 2 that is linked with a personal computer (PC) or a dedicated Internet browser device 4, such as a Web-enabled set-top-box, WebTV unit, or other similar "Net-appliance." The PC or Internet browser device is connected to a broadcast television, CATV, or satellite signal 6, and a broadband Internet connection 8, which may be different from the television

signal infrastructure. The broadband Internet connection 8 and the television signal 6 may also be provided over the same medium, such as the television coaxial cable, fiber optic cable, satellite service, or other wireless connection. The PC or Internet browser device 4 preferably has a memory buffer and video decoding capability, such as support for MPEG 2. The viewer should also have access to at least 2 GB of data storage, wherein the viewer can store the downloaded data either in a local hard-disk drive 10, or remotely on an Internet data storage site.

A "time trading" service provider 12 (hereinafter "time trading agent") provides each household with an Internet account and a control environment for each member of the household to control the television or video programs, including the commercials, received from broadcast television, CATV, satellite or broadband Internet. The control environment includes a user identification number (ID#) for each participating individual in the household and a main ID# for the household. In order to participate in the time trading service, each household or individual user must use an ID# to access the viewing environment provided by the time trading agent. Any viewing of video programs whether free, paid subscription or pay-per-view will be also managed in the viewing environment based on the ID#. For example, the time trading agent may have agreements with only certain content providers, or may allow the viewer to select any content provider.

As shown in Figure 2, when a new viewer accesses the time trading system, a new viewer demographic profile is created (step 22), and the viewer chooses commercial category preferences (step 24). A new time trading account is then created (step 26). Each viewer in the household may thus have a unique control environment.

Each family has one master household ID# used to configure the system. For example, configuration options may include registering or changing the Internet service, paid subscription or pay-per-view options, commercial time trading settings, or censorship or parental control settings. The viewing history

or Internet access log of each ID# can also be accessed using the master ID#.

The system configuration menu may include the following options:

Paid video programs -

- List of paid subscription and pay-per-view service providers
- Access and censorship controls based on rating (NC-17, M, R, PG13, PG, G, etc.)

Internet Access -

- List of paid subscription and pay-per-view service providers
- Access and censorship controls based on rating (NC-17, M, R, PG13, PG, G, etc.)

Timing trading -

- Time traded, income or credit points earned, used, and remaining balance
- Target video stream ad insertion instructions

Commercial screening -

- availability of credit programs
- availability of special offerings
- topical preferences
- regional preferences (local or national)

Although no particular user interface is required, the following features are incorporated into the preferred embodiment. Specifically, when the household or individual viewer turns on the system, the screen will ask "TV, Internet, time trading account, special offer, set-up, view log or account balance"? If the household or individual viewer selects Internet, time trading or special offer, the system will request a user ID#. If the user selects set-up, view log or account balance, then the system will ask for the household's

master ID#. Currently, it is preferred that the household or individual viewer uses some type of input device, such as an alpha numeric keypad or keyboard 18 to input the ID#.

The time trading account selection shows the cumulative time trading income, cumulative time trading income used, and the outstanding balance of each household or individual ID#. The time trading account also shows the target video stream ad inserting instructions, pre-set and updated under each household or individual ID#.

The special offer selection shows any special bonus programs currently available offering additional bonus points. The account balance selection shows the current account balance for the Internet service, the paid subscription or the pay-per-view services. This includes the total charge from the program providers, the total time trading income or credit points, the time trading income or credit points redeemed, and any outstanding charges to be charged to the household account under each household or individual viewer ID#. The viewer's log shows all the viewing and Internet access records for each ID#, which can be audited by the master ID# holder.

The set up menu may consist of the following:

Paid video programs	List of paid subscriptions or pay-per-views
	Access and censorship control set up
Internet Access	Censorship control set up
Time Trading	Time trading set up menu
	Target ad commercial insertion instructions
Commercial screening	Commercial preferences table set up.

The Internet screen may show the following:

List of personalized television, CATV or satellite programs

Internet service, paid subscription or pay-per-view programs on CATV, satellite or Internet, including broadband

Index for Internet service, paid subscription or pay-per-view program providers

Bookmarks for preferred Internet sites

Internet search engines

Internet address [URL] input block

The present infrastructure thus facilitates a new viewing environment for the viewer. The viewer can decide whether to view or not view a given video program, including commercials, and can "trade" his/her television commercial viewing time for a fee or for "credit" points to be redeemed against the viewer's Internet service fee, paid subscription fee or pay-per-view fee. Each viewer's control environment under each ID# may have a menu to control the commercial time trading feature for each viewing session, or the master environment can set the time trading options for the other viewers. The time trading agent manages the accumulated, used and remaining income or credit points of each household account and individual viewers by ID#s.

Each viewer also controls how the target video stream commercials are inserted to his/her television or video program viewing. The viewer can choose to delete all regular television commercials, after they are received, and trade all or part of the newly created time slots for the target video stream commercials provided by the time trading agent. The viewer can also choose to pause a pay-per-view movie at selected times, and insert a selected number of target video stream commercials. Commercials are downloaded to the viewer's local storage area (which can either be a local hard drive, or user controlled storage available through the Internet) by the time trading agent. The target video stream ad is controlled via an ad management server. The commercials may then be played locally at the viewer's direction, or automatically at specified intervals as established by the viewer's contract with the time trading agent. The

commercials may further contain Web URLs to direct the viewer to an advertiser's web site, where the goods can be immediately purchased. In a preferred embodiment of the present invention, the time trading agent controls the total target video stream commercial insertions per each hour of video program, in order to prevent viewers from "loading up" on commercials while no one is actually viewing the program.

In another embodiment of the present invention, not only is each household's commercial viewing time traded for credit points, but the commercials themselves may be specifically targeted based upon the household's or individual's personal marketing profile or preferences. Based on the advertising client's request to advertise to a specific demographic group, the time trading agent selects the time trading individuals who meets the demographic requirement. Then, each individual may again be screened based upon a pre-registered commercial preference list. The time trading agent then stores the target video stream commercials (or a list of the selected commercials) in a target video stream commercial server under each registered household or individual viewer's ID#. When the household or individual viewer accesses the time trading viewing environment, the target video stream commercials are sent to the viewer's local storage based on a separately controlled priority set-up and any special target video stream commercial insert instructions. The commercials may then be viewed locally at the viewer's direction. A viewing log of the target video stream commercials is monitored by the time trading agent to protect the advertising client's investment and to report the actual hit rate.

An exemplary flowchart of one implementation of the present invention is shown in Figure 3. When a viewer accesses the system, the system verifies that the viewer is registered (step 30). If the viewer is registered, the time trading server selects commercials for download based on the viewer's demographic profile and selected preferences (step 32). The commercials may then be screened according to the viewer's screening preferences (step 34).

The commercials are then downloaded to the viewer's local storage area (step 36), and the time trading server monitors the actual views of the commercials (step 38). The viewer has personal control over the timing and frequency of the commercial viewing (step 40, 44). Once the viewer watches a commercial, the time trading server credits the viewer's account, and/or charges the advertiser. The time trading server continues monitoring (step 38), until the viewing session has ended.

In contrast to prior art systems, the present invention allows the viewer, not the network operator, to trade the commercial viewing time for fees or credit points, and allows the viewer to receive commercials directly targeted to the viewer's purchasing preferences. Therefore, targeted video stream commercials may create an environment where advertising clients pay higher per-target-individual advertising costs, but the ads will be delivered to the target demographic group, with some assurance that the ads will actually be viewed.

The time trading system may also be configured to insert commercials according to the traditional "time slot" method, in addition to the commercials selected by the viewer. Furthermore, the credit points may be determined based upon not just the number of commercials viewed, but also based on the type of commercials viewed.

Another feature of the present invention allows the viewers to screen or censor the commercials based upon their content. Each household or individual viewer, using the unique ID#s, can configure a commercial preferences table to control the incoming commercials. The preference table may include:

1. Censorship control - NC-17, M, R, PG13, PG, G, etc.
2. Preference and priority of commercial categories
3. Commercials with special offerings
 - a. full movie offer
 - b. bonus credits
 - c. regular credits

- d. not participating in the time trading option, but carrying other offers
 - i. discount product offerings
 - ii. rebate program offering
 - iii. other special offerings

In order to participate in the target video stream ad program, each ad must be reviewed by the time trading agent, and authorized with a rating. The screening feature basically screens out all the unrated commercials to protect the household or individual viewer from viewing unclassified commercials. With this feature, the viewer will be protected from the distribution of commercials carrying adult content or violence, not suitable for the household or particular individuals.

The priority scheme by which the registered target video commercials are to be distributed, using the time trading time slots, is determined based on a pre-set priority ranking of each target video stream ad, based upon criteria such as:

- a. full pay-per-view movie fee or equivalent credit point offer
- b. partial movie fee or equivalent credit point offer
 - i. bonus fee/points when the viewer sees the target video stream ad
 - ii. additional fee/bonus if the viewer answers interactive questions as a part of the ad viewing
 - iii. additional fee/bonus if the viewer agrees to contact regional sales representative after ad viewing
- c. base fee or equivalent base credit point offer
- d. not participating in the credit program, but carrying other offers
- e. no special offers

In a preferred embodiment, no membership fee is assessed to each household. For subscription based services, it is preferred that each household

or individual viewer sign-up with the paid subscription service, and then register the subscription with the household's account number and the household or individual viewer's ID# with the time trading agent. The time trading agent acts as a payment service, paying the viewer's subscription and deducting the fee or equivalent credit points used by the household or individual viewer during the month. The time trading agent then provides a monthly statement including the total time traded, the total target video stream commercials viewed, total earnings, usage and ending balance of income or credits earned for each user ID#.

Various fees may be assessed to the advertising clients, including an initial fee to provide a commercial rating and to register the commercial with the system. Additional fees may include:

- a. base target video stream ad fee is assessed to all registered target ads based on actual distribution
- b. target video stream ad that offers a full movie privilege pays for the entire movie that ad sponsors
- c. target video stream ad that offers a bonus fee/credit points will pay a premium based on the bonus/priority package selected
- d. target video stream ad that requests a viewer to answer questions, pays an additional bonus fee or credit points when the questions are answered
- e. target video stream ad that requests a viewer to contact the regional sales representative pays additional bonus fee or credit points when the viewer agrees to have the representative contact the viewer
- f. target video stream ad that offers a standard fee or credit points will pay a premium based on the standard package
- g. the fee structure may include premiums based on the actual time that the target video stream ad is viewed
- h. the number of web "hits" produced by each commercial having an embedded URL and/or the actual number of purchases
- i. advertisers pay premium for enhanced priority

Moreover, additional fees can be assessed for reporting services. Each advertising client can purchase various reports, including:

- a. target video stream ad rating – all participating advertising clients
- b. target video stream ad screening – overall analysis of viewer's preferences for commercial screening and advertising client's position
- c. target video stream ad result – targeted demographic analysis, selected individuals, actual individuals that target video stream ads are distributed to
- d. recommendation for enhancing the advertising client's target video stream ad's ability to reach more of the targeted demographic group
- e. analysis of viewer's actual spending vs target video stream ad viewing

The client management server 14 performs client management tasks, including:

- user ID# registration management
- paid subscription or pay-per-view contract, and account balance management for each ID#
 - paid programming access control or censorship management for each ID#
 - commercial censorship management for each ID#
 - commercial screening table management for each ID#
 - internet access censorship management for each ID#
 - viewer's paid programming viewing log management for each ID#
 - viewer's Internet access log management for each ID#
 - time trading set up menu management for each ID#
 - time trading account management for each ID#
 - target video stream ad insertion instruction management for each ID#
 - target video stream ad viewing log management for each ID#

The target video stream ad management server 16 manages the time trading functions, including:

- video stream file management
- target video stream ad target demographic management
- advertising client contract and account balance management
- bonus program management for each client
- special promotional offering management
- target video stream ad rating management
- master user profile management
- master commercial screening table management
- outstanding target video stream ad listing management based on priority
- target video stream ad hit log management by ID#, user profile and demographic group

Those skilled in the art will appreciate that various adaptations and modifications of the just-described embodiments can be configured without departing from the scope and spirit of the invention. Therefore, it is to be understood that, within the scope of the appended claims, the invention may be practiced other than as specifically described herein.

WHAT IS CLAIMED IS:

1. A method for providing video commercial advertisements, the method comprising:

downloading video commercial advertisements to a viewer;
monitoring the viewer's commercial advertisement viewing; and
crediting a viewer's account for commercial advertisements actually viewed.

2. The method of Claim 1, further comprising registering the viewer before downloading any commercial advertisements.

3. The method of Claim 2, wherein registering comprises creating a demographic profile of the viewer.

4. The method of Claim 3, wherein registering comprises creating a viewer preference list.

5. The method of Claim 2, wherein the downloaded video commercial advertisements are stored in a viewer's local data storage area.

6. The method of Claim 5, wherein the viewer's local data storage area is a data storage area on the Internet controlled by the viewer.

7. The method of Claim 5, wherein the time and frequency of viewing the commercial advertisements are controlled by the viewer.

8. The method of Claim 7, wherein the commercial advertisements are inserted into programming automatically, based upon a viewer's agreement.

9. The method of Claim 8, wherein the viewer's commercial advertisement viewing is controlled to prevent continuous commercial viewing.

10. The method of Claim 4, wherein the commercial advertisements are targeted to the viewer based upon the viewer's demographic profile and/or preference list.

11. The method of Claim 9, wherein the commercial advertisements are downloaded from the Internet, and the commercial viewing is monitored via the Internet.

12. The method of Claim 11, wherein the commercial advertisements contain world-wide-web (WWW) addresses (URLs).

13. The method of Claim 11, wherein the commercial advertisements contain interactive questions for the viewer.

14. The method of Claim 1, further comprising redeeming the credits as payment for one of pay-per-view service, paid television subscription service, and Internet services.

15. The method of Claim 1, further comprising generating reports on the frequency of viewing and viewer demographic data for each commercial.

16. The method of Claim 5, wherein the commercial advertisements are screened based on the viewer's preferences.

17. A system that provides viewer selection of a quantity of commercial video advertisements to view, the system comprising:
a video display;

an Internet browser device connected to the Internet and the video display device;
a local storage area; and
a time trading management server.

18. The system of Claim 19, wherein the time trading management server downloads video commercial advertisements to a viewer's local storage area.

19. The system of Claim 18, wherein the time trading management server monitors the viewer's commercial advertisement viewing.

20. The system of Claim 19, wherein the time trading management server credits a viewer's account balance for commercial advertisements actually viewed.

21. The system of Claim 20, wherein the time trading management server comprises a client management server and a target video ad management server.

22. The system of Claim 20, wherein the system further includes a connection to a television programming broadcast system.

23. A method for generating commercial video advertisement revenue, the method comprising:

downloading video commercial advertisements to a viewer;
monitoring the viewer's commercial advertisement viewing; and
charging an advertiser for commercial advertisements actually viewed by the viewer.

24. The method of Claim 23, wherein the viewer controls the viewing time and frequency of the commercial advertisements.

25. The method of Claim 23, further comprising charging an advertiser for reports of viewing statistics of the advertiser's commercial advertisements.

26. A method for allowing viewers to select a quantity of commercial video advertisements to view, the method comprising:

registering a viewer, wherein registering comprises creating a demographic profile of the viewer;

downloading at least one video commercial advertisement to the registered viewer;

monitoring the viewer's commercial advertisement viewing; and

crediting a viewer's account for commercial advertisements actually viewed,

wherein the at least one video commercial advertisement is viewed according to the viewer's instruction.

27. The method of Claim 26, wherein the viewer controls the time and frequency of commercial advertisement viewing.

28. The method of Claim 27, wherein the commercial advertisements are screened based upon the viewer's preferences.

29. The method of Claim 27, wherein the commercial advertisements are targeted based upon the viewer's demographic profile. 30. The method of Claim 26, wherein the commercial advertisements are downloaded to the viewer via the Internet, and the viewer's commercial viewing data is monitored via the Internet.

1/2

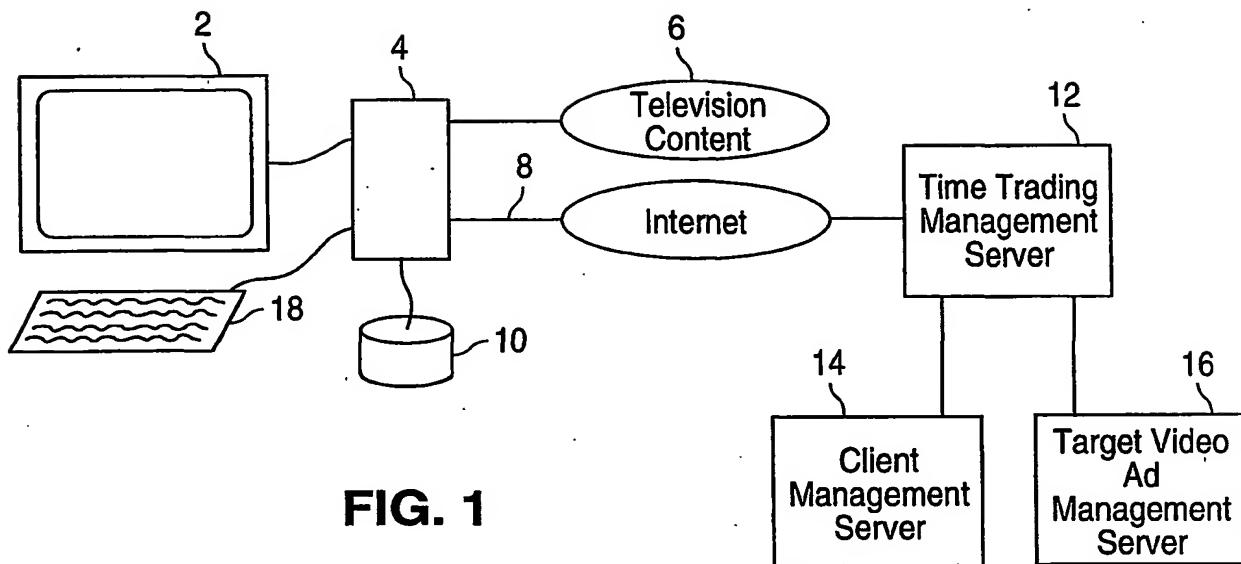


FIG. 1

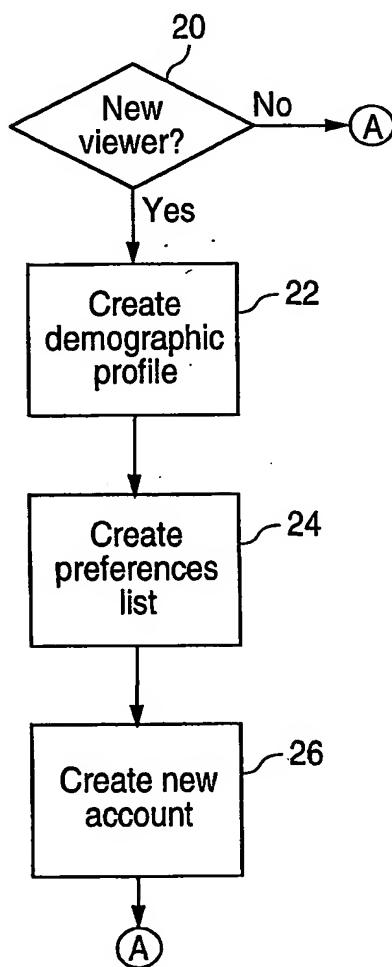


FIG. 2

2/2

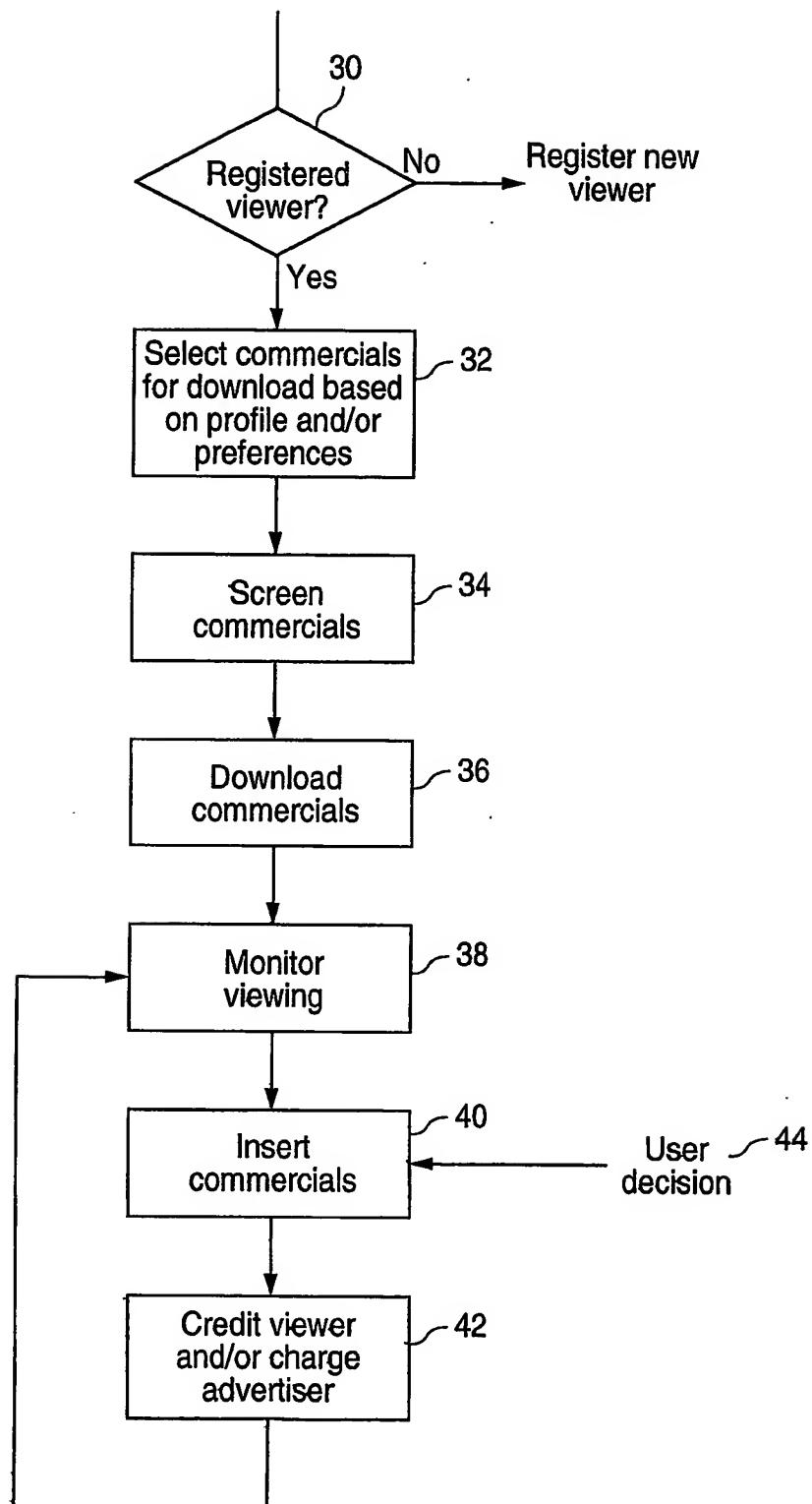


FIG. 3

SUBSTITUTE SHEET (RULE 26)

INTERNATIONAL SEARCH REPORT

International application No.
PCT/US00/30563**A. CLASSIFICATION OF SUBJECT MATTER**

IPC(7) :HO4N 5/445; G06F 3/00, 13/00

US CL :725/46, 45, 44, 42, 40, 38, 51, 61, 86

According to International Patent Classification (IPC) or to both national classification and IPC

B. FIELDS SEARCHED

Minimum documentation searched (classification system followed by classification symbols)

U.S. : 725/46, 45, 44, 42, 40, 38, 51, 61, 86

Documentation searched other than minimum documentation to the extent that such documents are included in the fields searched

Electronic data base consulted during the international search (name of data base and, where practicable, search terms used)

EAST - advertisements, commercials, download, profiles, preferences, viewer, user

C. DOCUMENTS CONSIDERED TO BE RELEVANT

Category*	Citation of document, with indication, where appropriate, of the relevant passages	Relevant to claim No.
X	US 5,926,624 A (LEMOLE et al) 28 December 1999, col. 1, lines 57-67, col. 2, lines 1-55; col. 3, lines 16-67, col. 4, lines 1-67, col. 5, lines 1-66	1-30
A	US 6,016,509 A (DEDRICK) 18 January 2000	1-30
A	US 6,014,502 A (MORAES) 11 January 2000	1-30

Further documents are listed in the continuation of Box C.

See patent family annex.

Special categories of cited documents:	"T"	later document published after the international filing date or priority date and not in conflict with the application but cited to understand the principle or theory underlying the invention	
"A"	document defining the general state of the art which is not considered to be of particular relevance	"X"	document of particular relevance; the claimed invention cannot be considered novel or cannot be considered to involve an inventive step when the document is taken alone
"E"	earlier document published on or after the international filing date	"Y"	document of particular relevance; the claimed invention cannot be considered to involve an inventive step when the document is combined with one or more other such documents, such combination being obvious to a person skilled in the art
"I"	document which may throw doubts on priority claim(s) or which is cited to establish the publication date of another citation or other special reason (as specified)	"&"	document member of the same patent family
"O"	document referring to an oral disclosure, use, exhibition or other means		
"P"	document published prior to the international filing date but later than the priority date claimed		

Date of the actual completion of the international search

03 JANUARY 2001

Date of mailing of the international search report

05 JUN 2001

Name and mailing address of the ISA/US
Commissioner of Patents and Trademarks
Box PCT
Washington, D.C. 20231

Facsimile No. (703) 305-3230

Authorized officer

ANDY FAILE

Telephone No. (703) 305 - 4380

THIS PAGE BLANK (USPTO)